POLICY NOTE

THE NON-DOMESTIC RATE (SCOTLAND) ORDER 2026

SSI 2026/39

The above instrument was made in exercise of the powers conferred by section 7B(1) of the Local Government (Scotland) Act 1975. The instrument is subject to the negative procedure.

Summary Box

The purpose of this instrument is to set the non-domestic rate poundage in Scotland at 48.1 pence for 2026-27.

Policy Objectives

This instrument will result in the poundage which applies to non-domestic properties in Scotland from 1 April 2026 to 31 March 2027 being 48.1 pence, 3.4% lower than 2025-26.

As a result, the Basic Property Rate which applies to properties with a rateable value up to and including £51,000, will be 48.1 pence in 2026-27. This is the lowest the rate applying to these properties has been since 2018-19 when it was 48.0 pence.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, The Non-Domestic Rate (Scotland) Order 2026 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

There is no statutory requirement to consult on this Order.

The policy provided for in this instrument was set out in the Scottish Budget 2026-27.

Impact Assessments

The policy provided for in this instrument was set out in the Scottish Budget 2026-27.[1]

No Business and Regulatory Impact Assessment is required because the present instrument will not impose new regulatory burdens on businesses, charities or the voluntary sector compared with the Non-Domestic Rate (Scotland) Order 2025 which it replaces.

A Child Rights and Wellbeing Impact Assessment has been carried out in relation to the Order.

Financial Effects

[1] https://www.gov.scot/budget/

The Scottish Fiscal Commission's Economic and Fiscal Forecast published on 12 January 2026 forecasted revenue for non-domestic rates in 2026-27 to be £3,387 million.[2]

The instrument has no additional financial effects on the Scottish Government, local government or on business.

Scottish Government
Local Government and Housing Directorate

February 2026

[2] https://fiscalcommission.scot/publications/scotlands-economic-and-fiscal-forecasts-january-2026/